

FINANCIAL MANAGEMENT SERVICES

FINANCE COMMITTEE

During 2014, Chairman Allan Tosti led the Finance Committee (FinCom), assisted by Vice-Chairs Richard Fanning, Charles Foskett and Alan Jones. Peter Howard served as secretary. The FinCom has twenty-one positions, one for each precinct. The appointing authority (Moderator, Trust Fund Commissioners Chair, FinCom Chair) acted to reappoint all members whose terms had been completed and to fill all vacant positions.

In February, the FinCom began its yearly effort to develop a comprehensive balanced Fiscal Year 2015 (FY15) budget recommendation for the Annual Town Meeting, which begins in April. At least one of the Finance Committee subcommittees reviewed each departmental budget with the corresponding department head. The school budget subcommittee attended School Committee meetings in order to gain a better understanding of the school budget. Hearings were held on all Warrant Articles requiring an appropriation or having a financial impact. Thirteen full committee meetings were held before Town Meeting and seven on Town Meeting nights. These meetings, when combined with numerous subcommittee meetings, made for a busy winter and spring schedule. The Committee's report was distributed electronically to Town Meeting members a week before the first meeting and hard copy was distributed at the first meeting.

FY15 is the fourth year of the current multi-year plan. Because of the savings from joining the State's Group Insurance Commission (GIC) and an increase in local aid over what had been predicted, the multi-year plan has been extended. Working with Town and School leaders, the FinCom developed a balanced budget and reserved much of the extra income from the last override to balance future years' budgets, thus eliminating the need for an additional override for several more years. Central to this budget is a 3.5% cap on budget increases by the appointing authorities. This budget maintained Town services at the FY14 level.

The FinCom, supported the work of the Minuteman Tech Regional Agreement Amendment Subcommittee. This group crafted a proposal that would address the difficulties the Town has with the present agreement. Despite negotiations among interested parties, this agreement has not been endorsed by all of the member towns. Final passage of the revised agreement and the rebuilding of the school remains in doubt.

After a lengthy hearing on an article to accept the Community Preservation Act (CPA), and subsequent discussion, the FinCom voted to recommend no action. With the support of the Board of Selectmen, the Town Meeting voted to accept the CPA. Subsequently the voters also approved the CPA. This action may affect budget preparation for FY17.

After a presentation by the Electronic Voting Committee (EVC), the FinCom decided to wait until the trial of the equipment at Town Meeting before recommending an appropriation for FY15. Subsequently the trial was successful, the FinCom recommended funding as the EVC had suggested and Town Meeting approved.

The FinCom lost Mary Ronan, one of its longest serving members (35+ years) who died this year. Her presence is missed at FinCom, School Committee and Town Meeting.

The FinCom also continued to monitor other ongoing activities that could have a large financial impact through regular reports by Town officials. Possible federal spending reductions remain a concern. Other issues include development of the master plan, funding for the final round of school renovations, the renovation of the Town's fire stations, the increasing costs of pensions, and funding the liability for retired Town employee health insurance. The Finance Committee will continue to work with other Town officials and citizens to deal with these issues and will keep the Town Meeting informed of the Town's progress.

OFFICE OF THE TREASURER & COLLECTOR OF TAXES

Mission Statement

The Office of Treasurer & Collector of Taxes is responsible for the management, collection, and custodianship of all funds and receipts belonging to the Town of Arlington.



Stephen J. Gilligan, Treasurer & Collector of Taxes

Overview

Under state law the Office of the Treasurer & Collector of Taxes is responsible for Treasury, Collector, and Payroll operations. Town bylaws have assigned postal operations to the Treasurer's office. The Payroll Division, through a Memorandum of Agreement established in 2002, reports directly to the Superintendent of Schools. The Treasurer also serves as Parking Clerk.

FINANCIAL MANAGEMENT SERVICES

The elected Town Treasurer and Collector of Taxes is responsible for directing and managing the tax billing, utility billing, and collection process; receiving all monies from Town departments, securing and depositing Town monies, and in accordance with Massachusetts General Laws, for managing, planning, and directing the Town's financial policies relating to cash management, investment management, and debt management. The Treasurer serves as Custodian of Funds for all Town monies. The Treasurer performs his fiduciary responsibility by developing investment and borrowing strategies based on financial best practices, consultations with financial advisors and investment institutions, and participating in government finance officer's seminars and conferences. Mr. Gilligan is an active member of both the national Government Finance Officers Association of the US & Canada, and the Massachusetts Collectors & Treasurers Association. Mr. Gilligan is Certified as a Massachusetts Assessor. He also serves as a Member of the Board of Directors of the New England States Government Finance Officers Association.

Program Description

The Treasurer/Collector's office is responsible for the proper handling and management of all monies belonging to the Town. Included within these responsibilities are the following:

- Responsible for the billing and collecting of all Real Estate Tax, Personal Property Tax, Motor Vehicle Excise Tax, Parking fines and Permit fees, Water & Sewer accounts, and collecting all Town and School Department(s) receipts. Payments are received directly in the Treasurer's Office, through the mails, via on-line electronic transactions, and lock-box services.
- Receiving and reconciling all deposits from all departments and authorities that charge fees and/or receive monies. Supports and assists all departments in the collection of delinquent accounts.
- Enables, audits, and coordinates School, Recreation, Human Services, and Fire/Ambulance, Library, and Inspections departments to submit deposits directly into our depository bank; daily, overnight, and weekends.
- Responsible for deposits and investment of all Town funds.
- Determine cash management needs to meet vendor and payroll warrants.
- Provide quality customer service to all Town residents, employees, and vendors in the performance of the above-described duties.
- Direct and manage all short and long-term

borrowings. Strategic goal is to maintain the highest possible Bond Rating, based on the Town's financial reserves, debt management, investments, and budgetary situation.

- Manage Treasurer's relationships with finance professionals and institutions that provide custodial, investment and banking services.
- Responsible for directing, managing, and administering, the John J. Bilafer Arlington Citizens Scholarship Foundation/Dollars For Scholars Program.

Budget Statement/Future Outlook

The Treasurer's Office continues to scrutinize its current budget for any potential savings, while being mindful of the critical importance to maintain resources sufficient to collect, invest and/or process over \$132,320,744 in Town revenues.

Interest income on General Fund monies and Town Stabilization Funds is expected to experience a modest increase in the rate of return as compared to the previous 3 fiscal years.

Objectives 2015

- Select winning services provider on Banking Services RFP.
- Hire I.T. Consultant to determine requirements for issuing collection system and cash management system RFP.
- Implement improved office security.

Accomplishments 2014

- Treasurer implemented Foreclosure Policy and procedures for delinquent Real Estate Tax accounts older than three (3) years and/or at a delinquency of \$20,000 or greater.
- Successfully implemented and converted Water & Sewer billing from semi-annual by district, to quarterly billing town-wide.
- Treasurer's Office continues to achieve one of the best commitment-to-collection ratios of real estate and personal property taxes of any community in Massachusetts, by developing internal collection procedures with a focus on end-of-fiscal-year results. Real Estate Tax collections = 100%.
- Attained a top rating of Triple-A ("AAA") from Standard & Poor's rating agency for the 10th consecutive borrowing. Arlington is a member of a group of less than 21 communities in Massachusetts attaining this highest rating.
- FY 2014 Town Audit found Treasurer's operation in full compliance.
- Continue to manage Town of Arlington's relationship with Investment Advisor. Current

FINANCIAL MANAGEMENT SERVICES

net interest gain on all trust fund accounts is 9.26% as of December 2014. The 5-year interest earned is 66.08%.

- Managed successful borrowing of \$12,218,000 attaining a Bond total- interest-cost rate of 2.11% with a “AAA” rating for the bonds - the highest possible ratings from S&P.
- Implemented new procedures for abandoned property (“Tailings”), to proactively remit to Arlington residents.
- The Treasurer directs and administers the Arlington Citizens Scholarship Foundation, which provides financial assistance to Arlington residents attending higher education. Increased both the number of scholarships awarded to 103, and total amount awarded to \$150,950 in 2014.
- Implemented new on-line process for Arlington Citizen’s Scholarship Foundation/Dollars-For-Scholars applications.
- Aggressively managed the on time issuance of all billing and collections for Real Estate Tax, Motor Vehicle Excise Tax, Water & Sewer, and Parking, accurately and on time to avoid short-term borrowing.

Performance / Workload Indicators

- Real Estate Tax: Managed \$105,512,757 Real Estate Tax commitment. Real Estate Tax collections = 100%.
- Of 14,830 real estate tax accounts, 58 are Tax Title accounts.
- Advertised and filed tax title for all delinquent Real Estate Tax accounts within the same fiscal year.

- Billing: Processed and issued 60,800 Real Estate & Personal Property bills, 35,038 initial Motor Excise bills, 25,017 initial Water & Sewer bills; plus 2,700 delinquent real estate, 11,472 delinquent excise tax, and 2,461 delinquent water/sewer bills and notices. Total Bills issued: 137,488, adhering to legal mandates.
- Motor Vehicle Excise Tax
- FY11 Revenues – Initial billing: \$3,617,140. Total Excise Tax Collection FY11: \$3,438,728.
- FY12 Revenues – Initial billing: \$4,077,138. Total Excise Tax Collection FY12: \$4,021,599.
- FY13 Revenues – Initial billing: \$4,342,655. Total Excise Tax Collection FY13: \$4,064,778.
- FY 14 Revenues – Initial billing: \$4,213,165. Total Excise Tax Collection FY14: \$4,636,918.
- Deputy Tax Collection: Program revenues: FY09– \$157,276; FY10– \$157,859; FY11 – \$197,534; FY12. \$141,000; FY13 – \$162,046; FY14 – \$ 89,031.
- Lien Certificates processed: FY09–1,603; FY10–1,452; FY 11–1,674; FY12–1,541; FY13–2,177; FY14–986.
- Revenue from Lien Certificates: FY09–\$57,873, FY10–\$72,600; FY11 – \$83,700; FY12 –\$77,093; FY13 – \$108,874, FY14 – \$49,373.

Office of Treasurer & Collector of Taxes Performance Metrics Over 5 Years					
	FY2010	FY2011	FY2012	FY2013	FY2014
Real Estate Bills Processed	60,084	60,119	* 63,000	* 63,700	* 60,800
Motor Excise Bills Processed	35,112	35,222	35,456	33,411	35,038
Water & Sewer Bills Processed	24,849	24,965	24,973	25,046	25,017
Subsequent Delinquent Bills and Notices	22,324	22,604	14,831	12,944	16,633
Liens - Revenue from Water & Sewer Delinquencies	\$140,465	\$134,180	\$183,273	\$161,334	\$217,900
Lien Certificates Processed	1,452	1,674	1,541	2,177	986
Revenue from Lien Certificates	\$72,600	\$83,700	\$77,093	\$108,874	\$49,373
* Includes Personal Property					

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- **Water Liens:** Lien all delinquent water accounts onto real estate bills annually. Annual lien amounts: FY09—\$126,420, and FY10—\$140,865, FY11—\$134,181, FY12—\$183,273; FY13—\$191,334; FY14 – 217,900.
- These amounts are less than 1.75% of Water & Sewer billing amounts committed.
- The Treasurer's office staff includes three positions in management, and seven in clerical and administration.
- Preparation of financial material for receipts, deposits, investments, income, debt for annual Town audits.

COMPTROLLER/TELEPHONE

The Comptroller's Office is responsible for the Town's books of account and financial records, verifying appropriations for all purchase orders, processing invoices for payment, approval of all payrolls and other warrants, balancing monthly appropriation reports, and other financial reporting as governed by Federal and State governments. The Comptroller is responsible for the direct management and supervision of the Telephone department.

The Telephone department is responsible for the operations of the Town and School phone system, including maintaining the two PBX's and voicemail systems.

Major Accomplishments for 2014

- Closed books on a timely basis and had Town audit and free cash certified on a timely basis.
- Enhanced quarterly report to the Board of Selectmen.

Performance Metrics				
	FY2011	FY2012	FY2013	FY2014
General Ledger Entries	122,165	120,748	113,517	124,116
Purchase Orders Processed	4,953	5,084	5,317	5,651
Accounts Payable Batches Processed	1,192	976	875	645

FY2016 Objectives

- Research the feasibility of electronically distributing payroll direct deposit stubs.
- Continue to expand and enhance financial reporting to Town Officials.

- Implement town-wide VoIP phone system.
- Upgrade the MUNIS financial software.
- Work with the Treasurer/Collector's office in the implementation of the MUNIS receivable/cash modules.

BOARD OF ASSESSORS

Members of the Board of Assessor's are Chairman Kevin Feeley, Esq., Mary Winstanley O'Connor, Esq., and Robert Greeley.

The Board of Assessors committed 15,220 real estate and personal property tax bills to the Tax Collector for collection for Fiscal Year 2015. These bills raised a total of \$105,285,021 in property and personal property taxes. The total assessed value of all taxable real estate and personal property for Fiscal Year 2015 was \$7,770,112,271 which resulted in a tax rate of \$13.55 per thousand dollars of assessed value. The Board also committed approximately 34,700 automobile excise tax bills for collection of an estimated income of \$4,500,000.

Tax Abatement Overlay

State law requires that the Assessors put aside funds from each tax levy in a reserve that is called an Overlay. This account is established in anticipation that a certain percentage of the tax levy may end up being abated. Individual tax abatements are paid out of this fund. The final amount of the overlay account is determined by the Assessors and added to the tax rate without appropriation, which is usually set at anywhere from 1% to 2.5% of the tax levy. In FY2014, the overlay account is set at \$1,019,663.19. Any surplus left in an overlay account is appropriated by Town Meeting in much the same manner as free cash. On the next page there is a chart showing the disposition of Overlay funds for the last three years

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Tax Abatement Overlay Funds			
	FY2012	FY2013	FY2014
Overlay Amount	\$808,924	\$1,454,204	\$1,019,663
Abatements & Exemptions To-Date	\$265,781	\$382,432	\$320,799
Declared Surplus to General Fund	\$100,000	\$200,000	\$200,000
Reserved for Additional Liability	\$443,173	\$871,772	\$489,864

ASSESSMENT DATA

Valuation and Tax Levy			
Fiscal Year	Total Assessed Valuation	Tax Levy	Tax Rate*
2015	\$7,770,112,271	\$105,285,021	\$13.55
2014	\$7,377,629,421	\$101,737,509	\$13.79
2013	\$7,201,277,082	\$98,009,381	\$13.61
2012	\$6,954,794,567	\$95,002,493	\$13.66
2011	\$6,926,589,397	\$85,958,974	\$12.41
2010	\$6,892,736,257	\$83,471,036	\$12.11
2009	\$6,790,772,343	\$80,946,006	\$11.92
2008	\$6,883,264,284	\$78,813,376	\$11.45
2007	\$7,011,721,520	\$76,778,350	\$10.95
2006	\$6,483,756,733	\$73,578,994	\$11.34
2005	\$6,007,309,836	\$65,719,969	\$10.94
2004	\$5,990,614,666	\$63,740,140	\$10.64
2003	\$4,500,135,559	\$61,246,845	\$13.61
2002	\$4,266,984,229	\$59,097,731	\$13.85
2001	\$4,239,775,439	\$55,838,267	\$13.17

* Tax rate expressed in per thousand dollars of assessed value

Percent of Tax Levy by Class					
CLASS	TYPE	FY2012	FY2013	FY2014	FY2015
I	Residential	93.9521	93.7374	93.8614	94.1840
II	Open Space	0	0	0	0
III	Commercial	4.2740	4.6139	4.4905	4.2729
IV	Industrial	.03015	0.2243	.2189	0.2079
V	Personal Property	1.4724	1.4244	1.4292	1.3352
Total		100	100	100	100

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Tax Rate Components FY2011-FY2015

	2011	2012	2013	2014	2015
Levy Base	\$11.10	\$11.42	\$12.28	\$12.38	\$12.22
2 1/2%	\$0.28	\$0.29	\$0.31	\$0.31	\$0.31
Growth	\$0.09	\$0.08	\$0.09	\$0.19	\$0.16
Override	\$0.00	\$0.93	\$0.00	\$0.00	\$0.00
W/S Debt Service	\$0.81	\$0.80	\$0.78	\$0.76	\$0.72
School Debt Exclusion	\$0.14	\$0.10	\$0.12	\$0.14	\$0.14
Symmes Debt Exclusion	\$0.00	\$0.04	\$0.04	\$0.02	\$0.00
Tax Rate*	\$12.41	\$13.66	\$13.61	\$13.79	\$13.55

*Tax Rate = ((Amount To Be Raised)/(Total Taxable Assessed Value))*1000

Details of Tax Rate Calculation

	FY2011	FY2012	FY2013	FY2014	FY2015
Max Levy Prior FY	\$76,865,559	\$79,443,949	\$88,442,215	\$91,310,473	\$94,987,188
2.50%	\$1,921,639	\$1,986,099	\$2,211,055	\$2,282,762	\$2,374,680
Growth	\$656,751	\$522,167	\$657,203	\$1,393,953	\$1,255,293
Override	\$0	\$6,490,000	\$0	\$0	\$0
Maximum Levy	\$79,443,949	\$88,442,215	\$91,310,473	\$94,987,188	\$98,617,161
Levy Inc. %	3.35%	11.33%	3.24%	4.03%	3.68%
Levy Inc. \$	\$2,578,390	\$8,998,266	\$2,868,259	\$3,676,715	\$3,629,973
W/S Debt Service	\$5,593,112	\$5,593,112	\$5,593,112	\$5,593,112	\$5,593,112
School Debt Exclusion	\$945,868	\$682,156	\$840,116	\$1,049,114	\$1,111,442
Symmes Debt Exclusion	\$0	\$307,130	\$278,540	\$150,000	\$0
Max to be Raised	\$85,982,929	\$95,024,613	\$98,022,241	\$101,779,414	\$105,321,715
Actual Raised	\$85,958,974	\$95,002,494	\$98,009,381	\$101,737,510	\$105,285,021
Excess Levy	\$23,955	\$22,119	\$12,860	\$41,904	\$36,693
Total Taxable Assessed Value	\$6,926,589,397	\$6,954,794,567	\$7,201,277,082	\$7,377,629,421	\$7,770,112,271
Total Avg. % Increase	0.49%	0.41%	3.54%	2.45%	5.05%
Tax Rate	\$12.41	\$13.66	\$13.61	\$13.79	\$13.55
Penny of Tax Rate	\$69,266	\$69,548	\$72,013	\$73,776	\$77,701
Avg. Assessed Value Single Family	\$479,345	\$480,598	\$502,752	\$514,808	\$539,152
Avg. Taxes Single Family	\$5,949	\$6,565	\$6,842	\$7,099	\$7,306

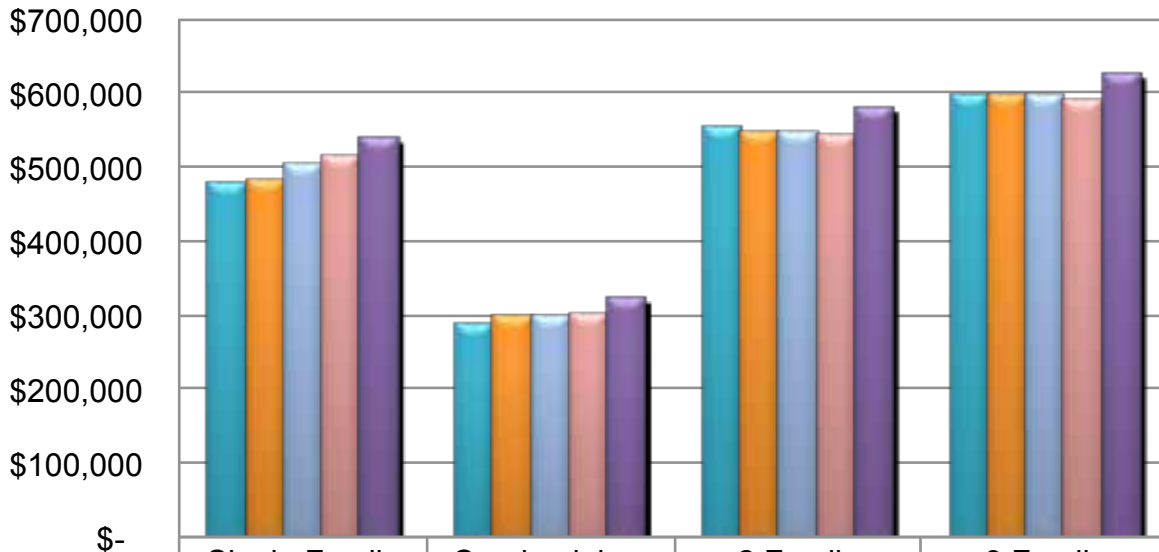
*All numbers subject to rounding and final DOR Certification

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State Class Code FY15-FY14 Comparison									
Type	FY2015			FY2014			FY15 vs FY14		
	Parcels	Assessed Value	Avg.	Parcels	Assessed Value	Avg. Assessed Value	Parcel (+/-)	Percent (+/-)	Avg. Assessed Value (+/-)
Single Family	7,991	4,308,739,100	539,199	7,984	4,110,229,200	514,808	7	4.60%	24,391
Condominium	3,367	1,084,819,500	322,192	3,304	993,501,200	300,696	63	8.40%	21,496
Misc	13	10,673,400	821,031	13	11,119,800	855,369	0	-4.18%	-34,338
2 Family	2,308	1,338,429,260	579,909	2,331	1,266,741,960	543,433	-23	5.36%	36,476
3 Family	196	122,809,300	626,578	201	118,859,900	591,343	-5	3.22%	35,235
Apartments	147	389,125,900	2,647,115	146	362,494,300	2,482,838	1	6.85%	164,277
Res Land	320	25,468,800	79,590	327	24,261,700	74,195	-7	4.74%	5,395
Open Space	0			0			0		0
Commercial	386	290,984,900	753,847	386	290,983,000	753,842	0	-0.06%	5
Industrial	22	16,149,400	734,064	22	16,149,400	734,064	0	0.00%	0
Ch Land/61	0			0	0	0	0		0
Ch Land/61A	0			0	0	0	0		0
Ch Land/61B	4	1,384,031	346,008	4	1,349,381	337,345	0	2.51%	8,663
Mixed Use(Res)	76	38,140,296	501,846	76	37,535,317	493,886	0	1.59%	7,960
Mixed Use(Com)		39,639,764		0	38,961,043		0	1.72%	0
Per Prop/501	200	3,256,930	16,285	235	3,600,490	15,321	-35	-9.55%	964
Per Prop/502	147	7,679,450	52,241	174	7,795,870	44,804	-27	-1.50%	7,437
Per Prop/503	0	0		0	0		0		0
Per	2	61,346,410		2	59,907,990		0	2.35%	719,210
Per Prop/505	7	21,208,000	3,029,714	7	24,129,200	3,447,029	0	-12.11%	-417,315
Per Prop/506	2	7,866,700	3,933,350	2	7,852,100	3,926,050	0	0.02%	7,300
Per Prop/508	5	2,391,130	478,226	6	2,157,570	359,595	-1	9.67%	118,631
Total	15,193	7,770,112,271		15,220	7,377,629,421			23.63%	

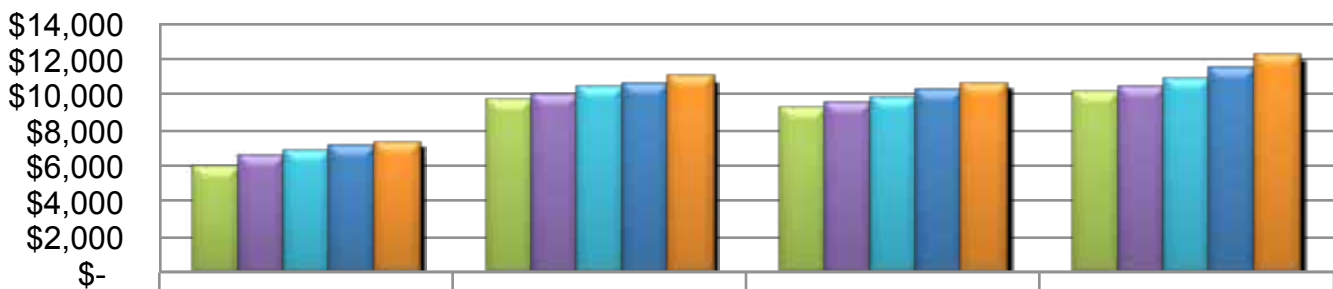
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Average Assessed Values FY2011-FY2015



	Single Family	Condominium	2 Family	3 Family
2011	\$476,700	\$287,300	\$553,000	\$598,500
2012	\$480,600	\$298,600	\$546,500	\$598,400
2013	\$502,800	\$297,200	\$546,700	\$596,600
2014	\$514,800	\$300,700	\$543,400	\$591,300
2015	\$539,200	\$322,200	\$579,900	\$626,600

Average Taxes FY2011-FY2015



	Arlington	Belmont	Winchester	Lexington
2011	\$5,916	\$9,676	\$9,167	\$10,032
2012	\$6,565	\$9,964	\$9,557	\$10,441
2013	\$6,842	\$10,358	\$9,838	\$10,830
2014	\$7,099	\$10,566	\$10,191	\$11,480
2015	\$7,306	\$10,938	\$10,588	\$12,182

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FINANCIAL MANAGEMENT SERVICES

State Tax Form 31C

THE COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF REVENUE TAX RATE RECAPITULATION

FISCAL 2015

OF ARLINGTON

City / Town / District

I. TAX RATE SUMMARY

Ia. Total amount to be raised (from IIe)	\$	<u>154,893,803.27</u>
Ib. Total estimated receipts and other revenue sources (from IIIe)		<u>49,608,782.00</u>
Ic. Tax levy (Ia minus Ib)	\$	<u>105,285,021.27</u>
Id. Distribution of Tax Rates and levies		

CLASS	(b) Levy percentage (from LA - 5)	(c) IC above times each percent in col (b)	(d) Valuation by class (from LA - 5)	(e) Tax Rates (c) / (d) x 1000	(f) Levy by class (d) x (e) / 1000
Residential	94.1840%	99,161,644.43	7,318,205,556	13.55	99,161,685.28
Net of Exempt					0.00
Open Space	0.0000%	0.00	0		0.00
Commercial	4.2729%	4,498,723.67	332,008,695	13.55	4,498,717.82
Net of Exempt					0.00
Industrial	0.2079%	218,887.56	16,149,400	13.55	218,824.37
SUBTOTAL	98.6648%		7,666,363,651		103,879,227.47
Personal	1.3352%	1,405,765.60	103,748,620	13.55	1,405,793.80
TOTAL	100.0000%		7,770,112,271		105,285,021.27

Board of Assessors of

ARLINGTON

City / Town / District

MUST EQUAL IC

NOTE : The information has not been Approved and is subject to change.

Paul Tierney, Director, Arlington, 781-316-3061

Assessor

12/9/2014 9:38 AM

Date

AUTHORIZED TO SUBMIT ON BEHALF OF THE BOARD OF

(Comments)

Do Not Write Below This Line --- For Department of Revenue Use Only

Reviewed By

Maura O'Neil

Date :

10-DEC-14

Approved :

Dennis Mountain

Director of Accounts



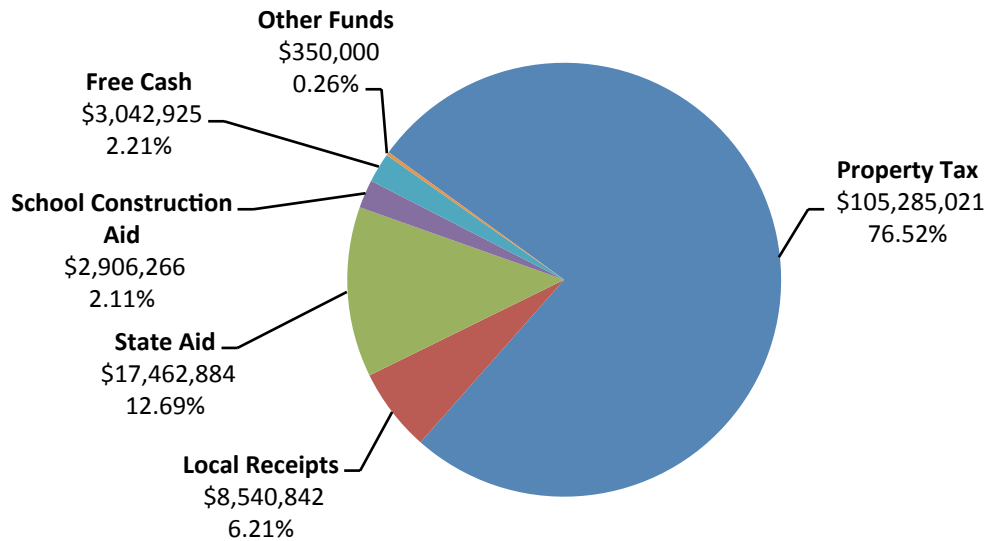
(Gerard D. Perry)

FINANCIAL MANAGEMENT SERVICES

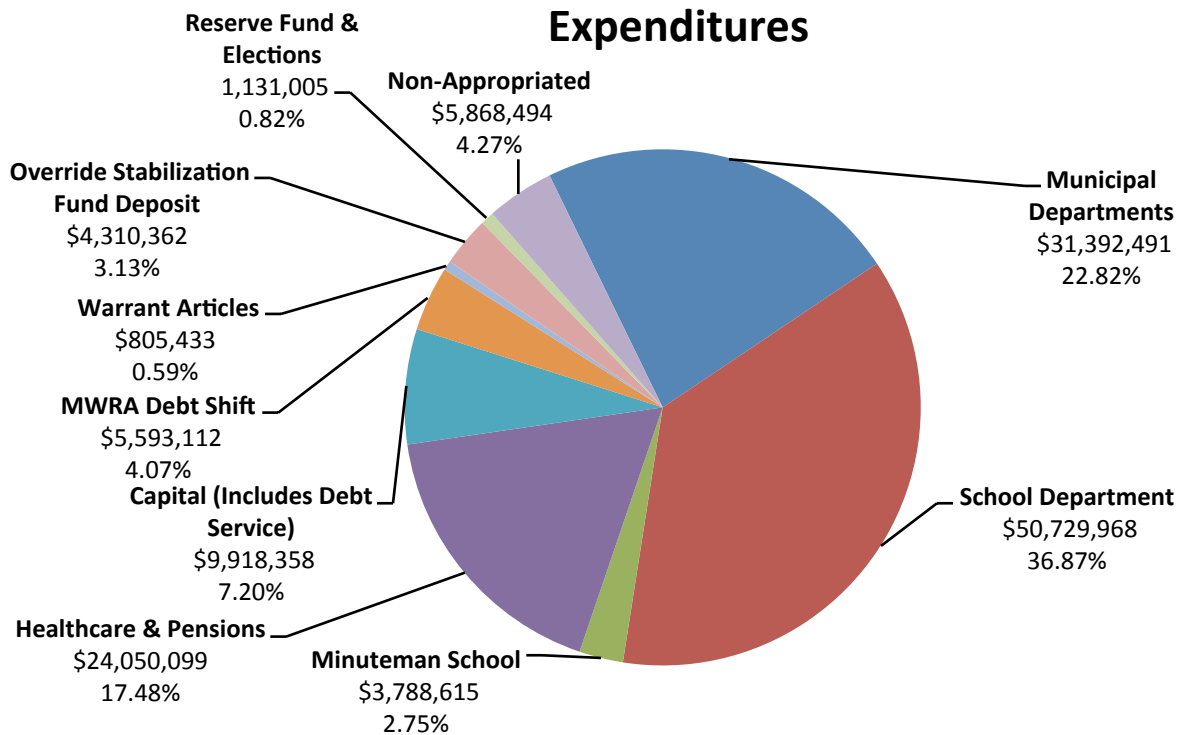
FISCAL YEAR 2015

Total \$137,587,937

Revenue



Expenditures



FINANCIAL MANAGEMENT SERVICES

Powers & Sullivan, LLC

Certified Public Accountants



100 Quannapowitt Parkway

Suite 101

Wakefield, MA 01880

T. 781-914-1700

F. 781-914-1701

www.powersandsullivan.com

Independent Auditor's Report

To the Board of Selectmen
Town of Arlington, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Arlington, Massachusetts as of and for the year ended June 30, 2014 (except for the Arlington Contributory Retirement System which is as of and for the year ended December 31, 2013), and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Arlington, Massachusetts, as of June 30, 2014 (except for the Arlington Contributory Retirement System which is as of and for the year ended December 31, 2013), and the respective

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changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2014, on our consideration of the Town of Arlington, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Arlington, Massachusetts' internal control over financial reporting and compliance.

Powers & Sullivan LLC

October 30, 2014

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Management's Discussion and Analysis

As management of the Town of Arlington, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2014. We encourage readers to consider the information presented in this report.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Arlington's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all assets and deferred outflows and liabilities and deferred inflows, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the Town's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, education, public works, community development, human services, library, culture and recreation, and interest. The business-type activities include the activities of the water and sewer department, youth services, Council on Aging, Ed Burns Arena and the recreation department.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Arlington adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. The budgetary comparison schedule is reported following the notes to the basic financial statements as required supplementary information.

Proprietary funds. The Town maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer, youth services, Council on Aging, Ed Burns Arena and recreation department activities.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Town maintains three different fiduciary funds. The pension trust fund is used to account for resources held in trust for members of the Arlington Contributory Retirement System. The other postemployment benefit trust fund is used to account for resources held in trust to fund the Town's portion of health benefits for retirees and beneficiaries. The private purpose trust fund is used to account for resources held in trust which principle and investment income exclusively benefit individuals, private organizations, or other governments.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$121.2 million at the close of 2014.

The largest portion of the Town's net position, \$104.5 million (86%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), net of any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$16.7 million (14%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$105,000, may be used to meet the government's ongoing obligations to citizens and creditors.

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Governmental Activities

	Balance at June 30, 2014	Balance at June 30, 2013	Increase (Decrease)
Assets:			
Current assets.....	\$ 80,638,836	\$ 74,041,035	\$ 6,597,801
Noncurrent assets (excluding capital).....	8,655,461	10,963,096	(2,307,635)
Capital assets.....	142,008,196	139,096,036	2,912,160
Total assets.....	231,302,493	224,100,167	7,202,326
Deferred Outflows of Resources:			
Deferred loss on refunding.....	99,266	151,087	(51,821)
Liabilities:			
Current liabilities (excluding debt).....	10,276,587	12,251,266	(1,974,679)
Noncurrent liabilities (excluding debt).....	46,669,898	35,368,652	11,301,246
Current debt.....	7,913,295	9,895,843	(1,982,548)
Noncurrent debt.....	43,531,862	45,442,415	(1,910,553)
Total liabilities.....	108,391,642	102,958,176	5,433,466
Deferred Inflows of Resources:			
Taxes paid in advance.....	1,782,621	2,093,019	(310,398)
Net Position:			
Net investment in capital assets.....	104,460,350	97,950,516	6,509,834
Restricted.....	16,661,963	14,380,013	2,281,950
Unrestricted.....	105,183	6,869,530	(6,764,347)
Total net position.....	\$ 121,227,496	\$ 119,200,059	\$ 2,027,437

At the end of the current year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior year. Within the business-type activities, the Town reported an \$81,000 deficit balance for the youth services enterprise fund which is the result of recording a \$117,000 other postemployment benefits liability. The Ed Burns Arena and recreation enterprise funds reported deficit unrestricted net positions of \$63,000 and \$131,000, respectively. These deficits can also be attributed to the liability recorded for other postemployment benefits.

The governmental activities net position increased by \$2 million during the current year. Key increases in net position included the recognition of MSBA capital grants for school improvements of approximately \$1 million, and approximately \$1.6 million in state highway grants. Also, the Town raised \$5.9 million to be transferred to the fiscal stability and long-term stabilization funds. Offsetting these increases was an increase of \$11.2 million in the Town's other postemployment benefit obligation, reported in noncurrent liabilities, and an \$848,000 payment to the other postemployment benefits trust fund which is reported as a fiduciary fund and, accordingly, is not included in the government-wide financial statements.

The \$2.3 million decrease in noncurrent assets (excluding capital) is primarily due to the reduction in the intergovernmental receivable from the Massachusetts School Building Association, as school construction funds are received annually which are used to retire debt outstanding for school construction projects.

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The net \$2.9 million increase in capital assets is mainly from the final portion of the project to renovate the Thompson school and approximately \$1.7 million in street improvements.

Governmental Activities

	2014	2013	Increase (Decrease)
Program revenues:			
Charges for services.....	\$ 11,695,114	\$ 10,668,650	\$ 1,026,464
Operating grants and contributions.....	34,748,457	33,458,295	1,290,162
Capital grants and contributions.....	2,633,477	6,800,967	(4,167,490)
General revenues:			
Real estate and personal property taxes.....	100,765,625	97,180,236	3,585,389
Tax liens.....	220,270	510,933	(290,663)
Motor vehicle excise taxes.....	4,560,606	4,066,173	494,433
Hotel/motel tax.....	300,875	283,497	17,378
Meals tax.....	413,163	326,726	86,437
Penalties and interest on taxes.....	294,295	352,869	(58,574)
Nonrestricted grants and contributions.....	7,502,207	7,046,868	455,339
Unrestricted investment income.....	2,122,915	1,291,139	831,776
Gain on sale of capital assets.....	-	2,873,618	(2,873,618)
Miscellaneous revenues.....	77,981	14,419	63,562
Total revenues.....	165,334,985	164,874,390	460,595
Expenses:			
General government.....	11,362,970	10,813,564	549,406
Public safety.....	25,960,607	25,861,607	99,000
Education.....	95,698,115	90,812,950	4,885,165
Public works.....	13,073,357	12,993,064	80,293
Community and economic development.....	3,658,595	5,683,462	(2,024,867)
Human services.....	1,880,010	2,023,675	(143,665)
Library.....	3,605,979	3,375,967	230,012
Culture and recreation.....	926,550	795,686	130,864
Interest.....	1,231,900	1,802,643	(570,743)
Total expenses.....	157,398,083	154,162,618	3,235,465
Transfers.....	(5,909,465)	(5,859,464)	(50,001)
Change in net position.....	2,027,437	4,852,308	(2,824,871)
Net position, beginning of year.....	119,200,059	114,347,751	4,852,308
Net position, end of year.....	\$ 121,227,496	\$ 119,200,059	\$ 2,027,437

The decrease in capital grants is primarily related to the MSBA reimbursements for a percentage of the construction costs on the Thompson school project which were significantly higher in 2013. Also, the 2013 gain on sale of capital assets represents the proceeds from the sale of the fully depreciated Crosby school building.

Most categories of expenses increase as a result of standard budgetary increases. The decrease in Community and economic development is the result of a decrease in federal and state funding for the Town's Weatherization

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program. Human service decreased due to decreases in several of the youth services nonmajor special revenue funds.

Business-Type Activities

	Balance at June 30, 2014	Balance at June 30, 2013	Increase (Decrease)
Assets:			
Current assets.....	\$ 12,776,652	\$ 10,947,984	\$ 1,828,668
Capital assets.....	22,865,270	22,029,278	835,992
Total assets.....	35,641,922	32,977,262	2,664,660
Liabilities:			
Current liabilities (excluding debt).....	145,649	305,308	(159,659)
Noncurrent liabilities (excluding debt).....	1,300,695	996,272	304,423
Current debt.....	1,361,540	1,301,578	59,962
Noncurrent debt.....	7,069,232	6,580,772	488,460
Total liabilities.....	9,877,116	9,183,930	693,186
Net Position:			
Net investment in capital assets.....	16,204,401	14,827,000	1,377,401
Unrestricted.....	9,560,405	8,966,332	594,073
Total net position.....	\$ 25,764,806	\$ 23,793,332	\$ 1,971,474
	2014	2013	Increase (Decrease)
Program revenues:			
Charges for services.....	\$ 15,906,693	\$ 14,462,642	\$ 1,444,051
Operating grants and contributions.....	147,512	91,703	55,809
General revenues:			
Unrestricted investment income.....	39,822	39,218	604
Total revenues.....	16,094,027	14,593,563	1,500,464
Expenses:			
Water and Sewer.....	18,010,392	17,587,856	422,536
Youth Services.....	582,744	465,735	117,009
Council on Aging.....	120,856	121,014	(158)
Ed Burns Arena.....	646,235	601,659	44,576
Recreation.....	671,791	627,364	44,427
Total expenses.....	20,032,018	19,403,628	628,390
Transfers.....	5,909,465	5,859,464	50,001
Change in net position.....	1,971,474	1,049,399	922,075
Net position, beginning of year.....	23,793,332	22,743,933	1,049,399
Net position, end of year.....	\$ 25,764,806	\$ 23,793,332	\$ 1,971,474

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There was a net increase of \$2 million in net position reported in connection with the Town's business-type activities. Additionally, the water and sewer enterprise fund was subsidized by the general fund in 2014 by approximately \$5.6 million to offset a portion of the costs associated with the repayment of debt to the Massachusetts Water Resources Authority. Of the increase in net position, \$2.1 million was related to the activity in the water and sewer enterprise fund which reported an increase in charges for services as a result of increased water usage. The increase in water and sewer expenses was primarily made up of increases in small equipment purchases and a \$105,000 increase in the MWRA assessment. This assessment comprises 68% of the fund's expenses.

The increase in capital assets consists of the water and sewer enterprise fund's investment in water and sewer lines and water meters, totaling approximately \$1.3 million in 2014, which was funded through available funds.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current year, governmental funds reported combined ending fund balances of \$65.2 million, an increase of \$10.8 million from the prior year.

The general fund reported a \$7.3 million increase in fund balance in the fund based financial statements. This includes the activity of the Town's stabilization funds and insurance trust funds which are reported within the general fund. The Town's stabilization funds totaled \$16.5 million at year end and reported an increase of \$5.7 million from 2013, which was primarily the result of funds generated by the 2012 tax override. The operating general fund accounted for the remaining \$1.5 million increase which was generated by positive budgetary results.

The Town's capital borrowing major fund had reported a fund balance of \$3.6 million, an increase of \$2.9 million from the prior year. During 2014, the Town recognized \$5.6 million in bond proceeds in this major fund which represents long-term borrowing used to finance various capital projects identified in the Town's capital improvement plan. The Town also transferred \$2.9 million from the sale of real estate fund into the capital borrowing fund. Current expenditures in this fund totaled \$6.6 million and related mainly to improvements to the Thompson elementary school, the community safety building and fire stations. Capital expenditures have been partially funded through \$450,000 in short-term bond anticipation notes (BANS) which are not recorded as funding sources on the fund based financial statements. Additionally, the Thompson school project costs are partially funded through the Massachusetts School Building Authority (MSBA). The fund reported \$1.1 million in MSBA reimbursements in 2014.

There was a \$695,000 increase in the nonmajor governmental funds, which reported \$22.6 million in revenues, \$20.3 million in expenditures, and (\$1.6 million) in net other financing sources (uses).

General Fund Budgetary Highlights

Changes between the original and final budget were primarily comprised of \$500,000 in additional appropriations from the Special Education Stabilization Fund and \$26,000 from the Municipal Insurance Fund all appropriated for

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Education as well as various transfers between functional line items and the release of prior year carryover budgets of approximately \$58,000. The reserve fund and collective bargaining appropriations are initially budgeted under general government. The budget is adjusted as reserve fund transfers are voted by the finance committee or as collective bargaining settlements are made. In the final budget, the Town budgeted to use \$3.4 million of available reserves “free cash” to balance the 2014 budget. However, actual results from operations were better than anticipated as the Town collected approximately \$3 million more than budgeted and departments expended \$950,000 less than budgeted.

By category, all actual revenues came in over budget. The largest revenue variance was in the departmental and other category where revenues were consistent with the prior year and estimated revenues decreased. Also, motor vehicle excise receipts increased by approximately \$500,000. Expenditures for employee benefits came in under budget by approximately \$419,000, significantly contributing to the surplus. General government expenditures and carryforwards were under budget by approximately \$571,000. This was mainly due to the Town’s collective bargaining reserve which turned back \$250,000 and the unused portion of the reserve fund which was approximately \$54,000. Expenditures exceeded the budget for snow and ice removal (public works) and for state and county assessments. The Town is allowed to overspend for snow and ice removal and to raise any unfunded deficit in the subsequent year. State assessments are withheld directly from state distributions to the Town.

Additionally, net transfers in(out) were \$387,000 greater than budgeted, mainly because the Thompson School Premium was transferred into the general fund where it will be reserved and amortized over the life of the bonds.

Other Postemployment Benefits (OPEB)

In 2006 the Arlington Town Meeting formed the Other Postemployment Benefits Committee. The committee’s charge is to make recommendations on the potential funding mechanisms for the postemployment medical benefits unfunded liability as required in Statement No. 45 of the Governmental Accounting Standards Board, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45).

The Town began partially funding this liability in an internally created healthcare trust fund established by Chapter 12 of the Acts of 1998. Upon the implementation of GASB 45, the Town transferred the balance of the healthcare trust fund, as well as all new appropriations for the same purpose, into a newly created Other Postemployment Benefits (OPEB) Trust Fund, as established by Chapter 161 of the Acts of 2005, which is under the supervision and management of the Town’s contributory retirement board. The Town Treasurer is the custodian of the OPEB Trust Fund.

The Town began capturing revenues to fund the OPEB liability in 1997. At that time, the Town established a policy of appropriating the difference between the non-contributory pension appropriation and \$500,000 to the OPEB fund. The Town has subsequently appropriated Medicare Part D reimbursements, as well as certain increases in the share of retiree HMO contributions to be transferred to this fund.

An actuarial study determined that Arlington’s total Actuarial Accrued Liability as of January 1, 2012, at a 4.20% partially funded discount rate, totaled \$174.1 million. As of June 30, 2014, the Town has recognized a liability for other postemployment benefits totaling \$45.6 million. The increase in the liability is based on the difference between the Annual Required Contribution (ARC) of \$18.4 million and the Town’s actual contribution of \$6.8 million which was made through a combination of benefit payments and pre-fundings to the OPEB Trust Fund in the amounts of \$6.3 million and \$548,000, respectively. The assets set aside in trust for future benefits amounted to \$7.4 million at year-end.

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The Town of Arlington is serious about addressing this liability within its financial ability and the OPEB Committee will continue to monitor this liability and explore possible additional funding sources.

Capital Asset and Debt Administration

The Town Manager is responsible for submitting a five-year capital-planning program for all departments to the Board of Selectmen each year. The Capital Planning Committee was created to advise and make recommendations regarding the Capital Plan. Annually the first year of the Capital Plan is submitted to the Town Meeting as the Capital Budget for appropriation. The Capital Plan is reviewed and revised each year to make changes in priorities and to add an additional year to the planning process.

The goal of the Capital Planning Program is to provide a means of planning for the maintenance and/or improvement of the capital assets and infrastructure of the Town of Arlington. To that end, the policy is that approximately 5% of the projected revenue of the Town is dedicated to capital expenditures including prior and future debt issuances. For the 2015 budget, this allowed for an annual cash expenditure of \$1.55 million and a new borrowing of \$12.57 million (including Water & Sewer). The Town's outstanding long-term debt related to the general government and water & sewer enterprise, as of June 30, 2014, was \$72 million for various CIP related projects.

The maintenance of the infrastructure and the capital assets of the Town are of vital importance to the delivery of the quality services that the Town has been known for. To this end, the Capital Planning Committee is dedicated to accomplishing the following objectives:

- To review, plan, and coordinate capital improvements so as to promote a systematic, organized replacement and acquisition schedule.
- To insure that, given limited resources, the capital needs of the community are met.
- To present a sound financial package so as to stabilize and level out the debt of the Town. It should assure timely planning for the most economical method of financing capital improvements.
- To insure wider community participation in the planning of projects and to reduce the pressure to fund a project which may not present as great a need as another project.
- To promote a more effective administration and coordination of capital projects to reduce scheduling problems, and conflicting or overlapping projects not only among local departments but also among other local and state agencies and private enterprises such as the gas and electric companies.

In reviewing the requests of the operating departments the committee uses the following criteria for evaluation:

- Imminent threat to the health and safety of citizens/property.
- Maintenance of operations/necessary expenditure. This does not include ordinary maintenance but rather maintaining a current service level through improvement of a capital asset. These may be major expenditures that will avoid costly replacement in the future.
- Requirement of State or Federal Law/regulation.
- Improvement of infrastructure.
- Improvement of productivity.
- Alleviation of an overtaxed/overburdened situation.

The relationship of the project to other Town projects and needs is also considered in the review and prioritization.

The Town is a member of the Massachusetts Water Resources Authority (MWRA), which assesses member communities annually for their proportionate share of the MWRA's debt service. The Town has also adopted Chapter 59 Section 21C Paragraph N of the Massachusetts General Law, which allows for the shifting of the debt

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service for water and sewer to the tax rate above the limits of Proposition 2 ½. The Town shifted \$5,593,112 in 2014 from the MWRA assessment to the property taxes. During FY 2014, the Town issued an additional \$1.4 million in MWRA sewer bonds and \$750,000 in MWRA water bonds.

The Town has voted to cap the amount of future MWRA debt that will be shifted to the tax rate at \$5,593,112 and correspondingly increase water rates.

The Town is expected to complete Phase 2 of the Community Safety Building renovation in October of 2014. Completion of this project has been significantly delayed due to unforeseen conditions which have also put the project over budget. The approximate cost of Phase 2 is \$3 million. During 2015, the Town will begin and complete design and engineering for the third and final phase of the Community Safety Building renovation. Phase 3 includes a complete renovation to the interior of the building and a reconfiguration of space in order to meet the needs of today's police department. The projected budget for Phase 3 is \$6,561,611 and funding is expected to be included in the 2016 Capital Budget.

During 2014, the Town began and completed design and engineering for the renovation of the Central Fire Station. Construction began in July of 2014 and the expected cost is \$6.3 million. This will complete the renovation of each of the Town's three fire stations.

Please refer to the notes to the financial statements for further discussion of the major capital and debt activity.

Requests for Information

This financial report is designed to provide a general overview of the Town of Arlington's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Comptroller, 869 Massachusetts Avenue, Arlington, Massachusetts 02476.